

Staff Summary Report



Council Meeting Date: 5/06/10

Agenda Item Number: _____

SUBJECT: Request authorization for the Mayor to execute a six-year contract with the Tempe Convention and Visitors Bureau (TCVB) for the funding of its tourist and convention promotional program.

DOCUMENT NAME: 20100506crsh01 **TEMPE CONVENTION AND VISITORS BUREAU (0109-26)**

COMMENTS: The cost of the contract is estimated at \$2 million annually plus adjustments for increases in the consumer price index.

PREPARED BY: Shelley Hearn, Community Relations Manager (480) 350-8906

REVIEWED BY: Shelley Hearn, Community Relations Manager (480) 350-8906

LEGAL REVIEW BY: Dave Park, Assistant City Attorney (480) 350-8907

DEPARTMENT

APPROVAL: Shelley Hearn, Community Relations Manager (480) 350-8906

FISCAL NOTE: Sufficient funds for the annual \$2 million payment under the contract will be obtained by the bed tax and are available in cost center 3526 (General Fund).

RECOMMENDATION: Authorize the Mayor to execute the contract

ADDITIONAL INFO: In July 2010 the City's transient bed tax will be increased from 3% to 5%. Pursuant to State law, all funds generated from an increase in tax on the hospitality industry must be spent on the promotion of tourism. This funding agreement between the City and the TCVB will allocate \$2 million as a base amount from funds generated by the bed tax to the TCVB for use in the promotion of tourism in Tempe.